



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jose Obregon

**SUBJECT: DONATION OF SURPLUS
RUBBER-TIRED WHEEL LOADER**

DATE: May 17, 2004

Approved

Date

RECOMMENDATION

Adoption of a resolution authorizing the Director of General Services to execute all documents necessary for the donation of one (1) rubber-tired wheel loader with a total estimated value of \$6,100 to the City of La Paz, Mexico.

BACKGROUND

The San Jose Municipal Code, Section 4.16 governs the donation of surplus property. On June 19, 2001, the City Council approved a Donation Policy for surplus personal property to be followed in conjunction with this Code Section. That policy provides that when the Director of General Services determines that surplus property is eligible for donation or sale, the Director will submit a list of eligible equipment to the Rules Committee to receive recommendations for possible donation or sale. The policy further states that all surplus property valued at more than \$10,000 should generally be sold at auction. The rubber-tired wheel loader that has become surplus has an expected resale value of approximately \$6,100.

This item was reported to the Rules Committee on May 12, 2004. The City has been requested to donate this surplus equipment to the City of La Paz, Mexico. The City last made a donation to this organization in February 2003.

ANALYSIS

The City of La Paz, Mexico is located in Baja, Mexico. The rubber-tired wheel loader will be used at various work sites in and around the City of La Paz for the repair and maintenance of existing infrastructure.

The following one (1) unit has been selected for donation if City Council approves the recommendation.

1981 Case W20B

Serial # 9143067

Estimated value \$6,100

Approval of this donation to the City of La Paz, Mexico which has a long-standing relationship with the City for the benefit of maintaining and expanding infrastructure maintenance programs throughout their city.

PUBLIC OUTREACH

Public outreach is not applicable to the proposed Council action.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and the Manager's Budget Office.

COST IMPLICATIONS

The donation of this loader will make valuable use of a vehicle that has been replaced in the City fleet.

The Department of General Services estimates the current value of this vehicle at \$6,100. A donation will mean the loss of that potential revenue.

CEQA

Not a project.

JOSE OBREGON
Director of General Services

